

RESOLUTION NO. 14-04

**A RESOLUTION CONFIRMING THE DESIGNATION OF  
AN ECONOMIC REVITALIZATION AREA FOR  
PROPERTY TAX ABATEMENT FOR PURDUE  
RESEARCH FOUNDATION**

WHEREAS, IND. CODE chapter 6-1.1-12.1 allows a partial abatement over a seven year period of property taxes attributable to the installation of new manufacturing equipment in Economic Revitalization Areas; and

WHEREAS, IND. CODE chapter 6-1.1-12.1 allows a partial abatement over a ten year period of property taxes attributable to certain real estate redevelopment, improvement and/or rehabilitation in Economic Revitalization Areas; and

WHEREAS, IND. CODE chapter 6-1.1-12.1 empowers the Common Council to designate Economic Revitalization Areas by following a procedure involving the adoption of a preliminary resolution, provision of public notice, conducting of a public hearing and adoption of a final resolution confirming, modifying or rescinding the preliminary resolution; and

WHEREAS, the business (called applicant) named above and in the attachment to this resolution, which attachment is incorporated herein by reference, has an ownership interest in the geographic area (called subject real estate) described in such attachment; and

WHEREAS, the applicant has requested that the subject real estate be designated as an Economic Revitalization Area for the purpose of achieving property tax savings in connection with the new research and development equipment/new manufacturing equipment (called New Equipment) and real estate redevelopment, improvement and/or rehabilitation (called Real Estate) identified in such attachment; and

WHEREAS, during a preliminary hearing at 7:30 p.m. on May 3, 2004, the Common Council received evidence about whether the subject real estate should be designated as an Economic Revitalization Area and the Common Council adopted Resolution No. 10-04, hereinafter the preliminary resolution, making various findings and designating the subject real estate as an Economic Revitalization Area subject to the adoption of a confirming resolution by the Common Council and subject to the limiting conditions, and it fixed 7:30 p.m. on June 7, 2004, in the West Lafayette Council Chamber for final public hearing for the receiving of remonstrances and objections from persons interested in whether the subject real estate should be designated as an Economic Revitalization Area; and

WHEREAS, a copy of such preliminary resolution was properly filed with the county assessor and proper legal notices were published indicating the adoption and substance of such preliminary resolution and stating when and where such final hearing would be held; and

WHEREAS, at such final public hearing, evidence and testimony (along with any written remonstrances and objections previously filed) were considered by the Common Council.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE that:

1. The Common Council now confirms its findings that:

The estimate of the cost of the installation of New Equipment is reasonable for equipment of that type.

The estimate of the cost of the real estate redevelopment and/or rehabilitation is reasonable.

The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described installation of New Equipment and real estate redevelopment, improvement and/or rehabilitation of Real Estate.

The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described installation of New Equipment and real estate redevelopment, improvement and/or rehabilitation of Real Estate.

Other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described installation of New Equipment and real estate redevelopment, improvement and/or rehabilitation of Real Estate.

The totality of benefits is sufficient to justify the deduction.

2. The Common Council now confirms, adopts and approves such Preliminary Resolution and thereby designates, finds and establishes the subject real estate an Economic Revitalization Area. This designation is subject to the condition that designation allows abatement of property taxes only relative to the installation of specified New Equipment on the subject real estate for seven years and for real estate redevelopment, improvement or rehabilitation of Real Estate for ten years. However, on the written request of the applicant, the Director of the Department of Development is allowed to authorize, in writing, substitutions, modifications and additions to the tax abatement set forth above and in the attachment which are not substantial in nature to the specified New Equipment and Real Estate before March 1st of the year in which the initial certified deduction application for New Equipment and Real Estate is filed with the Tippecanoe County Auditor and the State Board of Tax Commissioners.

3. The Economic Revitalization Area designation terminates three years after the date of the final resolution. Accordingly, partial abatement of property taxes is allowed, to the extent provided above relative to specified New Equipment installed on the subject real estate and real estate redevelopment, improvement and/or rehabilitation of Real Estate during the

period from March 15, 2004, until three years after adoption of the final resolution. However, termination of this designation does not limit the period of time to a period of less than the applicant or successor owner is entitled to receive a partial abatement of property taxes relative to specified New Equipment installed on the subject real estate and real estate redevelopment, improvement and/or rehabilitation of Real Estate before the termination of such designation, as provided by IND. CODE chapter 6-1.1-12.1.

4. The partial abatement of taxes attributed to the installation of the specified New Equipment and real estate redevelopment, improvement and/or rehabilitation of Real Estate is subject to limitations contained in the Statement of Benefits that is a part of the attachment to this resolution.

This resolution shall be in full force and effect from and after its passage and signing by the Mayor.

INTRODUCED AND FILED ON \_\_\_\_\_, 2004.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE, INDIANA ON \_\_\_\_\_, 2004, HAVING BEEN PASSED BY A VOTE OF \_\_\_\_ IN FAVOR AND \_\_\_\_ OPPOSED.

\_\_\_\_\_  
Presiding Officer

Attested:

\_\_\_\_\_  
Clerk-Treasurer

PRESENTED BY ME TO THE MAYOR OF THE CITY OF WEST LAFAYETTE, INDIANA ON \_\_\_\_\_, 2004, AT THE HOUR OF \_\_\_\_\_ .M.

\_\_\_\_\_  
Clerk-Treasurer

THIS RESOLUTION APPROVED AND SIGNED BY ME ON \_\_\_\_\_, 2004, AT THE HOUR OF \_\_\_\_\_ .M.

\_\_\_\_\_  
Jan H. Mills, Mayor

Attested:

\_\_\_\_\_  
Clerk-Treasurer



# STATEMENT OF BENEFITS

State Form 27167 (R7 / 12-01)

Prescribed by the Department of Local Government Finance

FORM  
SB - 1

## INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and / or research and development equipment, or **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, or prior to installation of the new manufacturing equipment and / or research and development equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PPME and / or 322 ERA PPR & DE must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and / or research and development equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000.  
The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION							
Name of taxpayer Purdue Research Foundation							
Address of taxpayer (street and number, city, state and ZIP code) 3000 Kent Avenue, West Lafayette, IN 47906							
Name of contact person Michelle White, Vice President-Development and Assistant Treasurer					Telephone number (765) 494-8645		
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body Purdue Research Foundation					Resolution number		
Location of property NE Corner of Kent Avenue and Cumberland Avenue, West Lafayette, IN			County Tippecanoe		Taxing district Wabash 168		
Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary)  60,000 square foot, 3 story facility to be used as incubator space for technology based businesses.					ESTIMATED		
					Start Date		Completion Date
					Real Estate	05/04/2004	01/05/2005
					New Mfg Equipment	05/04/2004	01/05/2005
R & DE							
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 0	Salaries \$0.00	Number retained 0	Salaries \$0.00	Number additional 12	Salaries \$1,120,200.00		
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT							
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		Real Estate Improvements		Machinery		Research and Development Equipment	
		Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Current values							
Plus estimated values of proposed project		\$7,000,000.00				\$200,000.00	\$200,000.00
Less values of any property being replaced							
Net estimated values upon completion of project		\$7,000,000.00				\$200,000.00	\$200,000.00
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER							
Estimated solid waste converted (pounds) 156,000			Estimated hazardous waste converted (pounds) 4,000				
Other benefits:  See Exhibit A							
SECTION 6 TAXPAYER CERTIFICATION							
I hereby certify that the representations in this statement are true.							
Signature of authorized representative 			Title Senior Vice President		Date signed (month, day, year) 3/15/04		

# FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years \* (see below). The date this designation expires is \_\_\_\_\_.
- B. The type of deduction that is allowed in the designated area is limited to:
- |   |  |
|---|--|
| 1. Redevelopment or rehabilitation of real estate improvements; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new manufacturing equipment;                 | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new research and development equipment;      | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Residentially distressed areas                               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- D. The amount of deduction applicable to new manufacturing equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- E. The amount of deduction applicable to new research and development equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.
- F. Other limitations or conditions (specify) \_\_\_\_\_

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number (      )	Date signed (month, day, year)
Attested by:	Designated body	

\* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5

**CITY OF WEST LAFAYETTE  
TAX ABATEMENT APPLICATION FORM  
WEST LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION**

Please complete the following questions prior to applying for tax abatement. Should questions arise please contact the Department of Development, 609 W. Navajo, West Lafayette, Indiana 47906, 765-775-5160. The abatement process is explained in the "West Lafayette Tax Abatement Handbook" attached to this document. Please be sure that you also fill out the additional "supplementary" information sheets also attached.

**SECTION I-- APPLICANT**

1. Name of Applicant: Purdue Research Foundation
2. Address: 3000 Kent Avenue, West Lafayette, IN 47906
3. Date Organized or Incorporated: 1930
4. Chief Executive Officer: President Martin Jishcke
5. Principal Contact or Agent: Michelle L. White, Vice President-Development and Assistant Treasurer
6. Principal Office Address: 3000 Kent Avenue, West Lafayette, IN 47906 Phone 765-494-8645
7. Name of Parent Company (if any): same
8. Address of Parent Company (if any): same
9. Applicant is applying for Economic Revitalization Area designation for the purpose of:  

X   Real Property Tax Abatement  
  X   Personal Property Tax Abatement (New Manufacturing Equipment)  
       Number of full-time personnel currently employed locally

10. Please Provide:

- a. a brief history of the company and eight (8) copies of the last Annual Report
- b. Relevant financial information, e.g. annual report, etc.

## SECTION II-- LOCATION OF IMPROVEMENT

11. Location of Site: NE corner of Kent & Cumberland directly beside the current Purdue Technology Center

12. Assessor's Parcel (key) #: 168-05301-0378

13. Owner of Property: Purdue Research Foundation

14. Does the company currently conduct business at the location?

X  Yes      No

If yes, describe:

## SECTION III-- NATURE OF THE IMPROVEMENT

15. Nature of the product or service to be performed at the site:

80% of this addition will be dedicated to provide space for technology based start up businesses and the related facilities and services will enhance and accelerate their growth. The addition will provide: wet lab, office, and conference space. The remaining 20% will be utilized for the exempt purpose of Purdue Research Foundation for office space to market and promote the Purdue Research Park and the companies located in the Park along with commercialization of Purdue University discoveries.

16. Description of the proposed physical improvements. What physical changes will be made on the project property?

Real Property or Manufacturing Improvements:

The vacant land north of the existing facility will be used to add a 60,000 square foot quality facility designed to provide flexible space, facilities and amenities to attract and foster the growth of technology based start up business. This expansion will allow Purdue Research Foundation to retain and expand one of our growing life science companies, Endocyte. Purdue Research Foundation will pass thru the tax abatement savings thru the lease to Endocyte.

Personal Property (New Manufacturing Equipment, R&D/Lab Equipment):

The PTC addition will require special equipment to provide various types of Wet Labs, including a generator for emergency power.

17. Cost of the real property or manufacturing improvements (excluding land costs):  
\$7,000,000
18. Size of the facilities to be constructed (in square feet), if any:  
60,000 square feet
19. Cost of the new manufacturing equipment to be installed:  
\$200,000
20. What is the timetable for the start and completion of project?  
Start 5/2004-1/2005
21. When is completion expected?  
January 2005
22. How many permanent employees employed as a result of this project?  
The purpose of this facility is to establish an environment that encourages and nurtures new companies by charging reasonable rent, providing shared services, and professional supervision. The addition will include the expansion of The Office of Technology Commercialization staff along with additional Endoycte staff and other new companies employees that would be located in this facility. Based on past experience and the above additional staff we estimate 100 new employees in three years.
23. In what type of employment will they be engaged?  
All aspects of high technology e.g. software development, marketing, developing and testing of prototypes, CAD word, lab technician work, etc.
24. Estimate of the additional annual payroll to be produced at the end of:  
 1 year \$569,000 3 years \$ 2,500,000

25. Will the project result in any pollution? NO air  
water noise other

Explain:

26. Will the project require a rezoning, variance, or zoning approval before construction is initiated? yes X no

If yes, explain:

27. Describe additional public utilities and municipal services or facilities necessitated by the project (e.g., enlargement of sewer, street improvements, water supply, upgrading of traffic signals, etc.):

Will need one curb cut on Kent for parking access for the addition. All utilities are sized for this land and accessible to the site.

28. With what businesses will you directly compete in the Greater Lafayette Area?

- |         |     |
|---------|-----|
| 1. NONE | 6.  |
| 2.      | 7.  |
| 3.      | 8.  |
| 4.      | 9.  |
| 5.      | 10. |



What are your products or services sold outside the eight (8) county area?

A large percentage of the services and products generated by businesses within the facility will be sold outside the county area including international sales.

29. The following is a definition of an "economic revitalization area". Please read the definition and answer the following question as it pertains to your project. According to IC 6-1.1.1-12.1-1:

"Economic revitalization area" means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of; normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes any area where a facility or groups of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues.

What evidence can be provided that the project property should be designated as an "Economic Revitalization Area" based on this definition?

On May 4, 1998, the West Lafayette Common Council adopted Resolution No. 12-98 which designated the property located at the corner of Kent and Cumberland Avenue, West Lafayette, in Tippecanoe County, Indiana, as an Economic Revitalization Area. This is the area we are requesting tax abatement for the expansion of the Purdue Technology Center. The expansion of the Purdue Technology Center will continue to encourage economic development in the State of Indiana as well as in West Lafayette, IN and Tippecanoe County. The results of this expansion will be additional high paying quality jobs in technology based businesses. The intent of this facility is to provide business assistant services to the companies that will be housed in this facility.

#### SECTION IV-- ADDITIONAL APPLICANT INFORMATION

30. Has the applicant or any predecessor of the applicant defaulted in any material respect the performance of financial obligations by the applicant?

\_\_\_\_\_ yes ☒ no If yes, explain:

31. Has the applicant ever applied for or benefited from any tax abatement in any other project in the State of Indiana or elsewhere? ☒ Yes \_\_\_\_\_ No

If yes, explain:

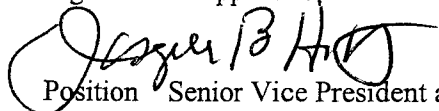
Yes, the Purdue Technology Center currently located at the northeast corner of Cumberland Avenue and Kent Avenue, West Lafayette, in Tippecanoe County, Indiana applied for tax abatement in 1998 and is currently receiving the tax abatement benefit.

**SECTION V -- ANNUAL REPORT & HISTORY OF COMPANY**

32. Is there any pending litigation materially affecting the applicant?  
\_\_\_\_\_ Yes   X   No If yes, please describe (or have counsel for the applicant describe)  
giving procedural posture of the case(s):
33. Are there any restrictions contained in the applicant's Articles or Certificate of Incorporation, Charter,  
Bylaws, Code of Regulations or any agreements to which the applicant is a party that could affect the  
applicant's ability to engage in this project? \_\_\_\_\_ Yes   X   No If yes,  
explain:
34. Certified Public Accountant: Ernst & Young
35. Commercial Bankers: Bank One
36. Company Counsel: Stuart & Branigin

I hereby certify that the above information and representations are to the best of my knowledge true and complete.

Signature of Applicant



Position Senior Vice President and Treasurer

Date Submitted

3/15/04

Company Contact Person Michelle White  
Address 3000 Kent Avenue, West Lafayette, IN 47906  
Phone (765) 494-8645  
Fax (765) 496-1146

**SUPPLEMENTARY INFORMATION SHEET  
TAX ABATEMENT APPLICATION  
CITY OF WEST LAFAYETTE  
ECONOMIC DEVELOPMENT COMMISSION**

To be completed by applicant

**R&D/LAB, MANUFACTURING OR COMMERCIAL**

Is this request for:

  X   improvements to real estate   X   new manufacturing equipment that has not  
been taxed in Indiana before

Length of abatement requested for equipment and property:

Real Property               3 years bldg               6 years bldg          X   10 years bldg  
Mfg. Equipment            5 years equip               10 years equip  
R&D/Lab Equipment        3 year          X   7 year               10 year

Number of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>	Construction
Engineering <u>      </u>	Engineering <u>      </u>	Engineering <u>      </u>	Refer to Endocyte
Sales <u>      </u>	Sales <u>      </u>	Sales <u>      </u>	application for
Administration <u>      </u>	Administration <u>      </u>	Administration <u>      </u>	projected jobs.
Manufacturing <u>      </u>	Manufacturing <u>      </u>	Manufacturing <u>      </u>	
Maintenance <u>      </u>	Maintenance <u>      </u>	Maintenance <u>      </u>	
Other (Specify) <u>      </u>	Other (Specify) <u>      </u>	Other (Specify) <u>      </u>	

Salaries of jobs for residents of the Greater Lafayette area:

<u>Current</u>	<u>Retained</u>	<u>Additional</u>	Construction
Engineering <u>      </u>	Engineering <u>      </u>	Engineering <u>      </u>	
Sales <u>      </u>	Sales <u>      </u>	Sales <u>      </u>	
Administration <u>      </u>	Administration <u>      </u>	Administration <u>      </u>	
Manufacturing <u>      </u>	Manufacturing <u>      </u>	Manufacturing <u>      </u>	
Maintenance <u>      </u>	Maintenance <u>      </u>	Maintenance <u>      </u>	
Other (Specify) <u>      </u>	Other (Specify) <u>      </u>	Other (Specify) <u>      </u>	
		<u>Refer to Endocyte application</u>	

Payroll Categories:

**Retained**

\_\_\_\_\_ up to \$20,000  
\_\_\_\_\_ \$20,000 to \$28,000  
\_\_\_\_\_ \$28,001 to \$35,000  
\_\_\_\_\_ greater than \$35,000

**Additional**

\_\_\_\_\_ up to \$20,000  
\_\_\_\_\_ \$20,000 to \$28,000  
\_\_\_\_\_ \$28,001 to \$35,000  
\_\_\_\_\_ greater than \$35,000

Explanation of how the numbers of jobs were calculated and the time frame for reaching full employment level:

In year one the number of jobs were calculated by utilizing additional staff of the companies that will locate in the new addition (Endocyte, and Purdue Research Foundation Office Technology Commercialization). The projection for estimated jobs in year three were based on experience in the existing 60,000 square feet of incubation space in the Purdue Technology Center.

Type(s) of equipment, installation schedule(s), and depreciation pool(s):

1. Various Laboratory equipment
2. Over the next three years
3. Pool 2

Narrative description of need (attach separate sheet if needed):

## ***EXHIBIT A***

Business Incubators accelerate the successful development of entrepreneurial companies through an array of business support resources and services, developed or orchestrated by incubator management, and offered both in the incubator and through its network of contacts. A business incubator's main goal is to produce successful firms that will leave the program financially viable and freestanding. These incubator "graduates" create jobs, commercialize critical new technologies and strengthen local, state and national economies. Management guidance and consulting suitable for young growing companies is critical to the definition of incubator. Incubators usually also provide clients access to appropriate rental space and flexible leases, shared basic business services and equipment, technology support services, and assistance in obtaining the financing necessary for company growth.

Two principles characterize effective business incubation:

- 1) The incubator aspires to have a positive impact on its community's economic health by maximizing the success of emerging companies.
- 2) The incubator is itself a dynamic model of a sustainable, efficient business operation.

## **PURDUE RESEARCH FOUNDATION**

The Purdue Research Foundation was incorporated as a non-profit organization on December 30, 1930. Its Founders included the President of Purdue University and the entire Board of Trustees of the University.

In order to fully understand the purposes and scope of the Foundation, it is appropriate to quote a portion of its Articles of Incorporation:

"Article II. The objects and purposes for which this corporation is organized are to promote educational purposes...by encouraging, sponsoring, aiding, or conducting scientific investigations, research and educational studies, activities and pursuits of all kinds; by training and developing persons for the conduct of such investigations and research and by acquiring and disseminating knowledge in relation thereto; by fostering and encouraging education and learning in science, agriculture, and mechanic arts and promoting the liberal and practical education of the industrial classes in the several pursuits and professions of life...and this corporation shall also have, use, and enjoy any and all powers necessarily or properly incident to or connected with any of the foregoing purposes and powers, including the power to acquire in any lawful manner such property, real, personal or mixed or any interest therein as may be necessary to the transaction of its business or the execution of any trust, and may hold, use, lease, sell, mortgage, pledge, assign, transfer or convey the same or any part thereof".

"Article III. Said corporation may receive by gift, devise, bequest, or otherwise, any money or property absolutely or in trust, to be used, either the principal or the income therefrom, for the furtherance of any of the corporate purposes expressed in its charter, or for any other purpose which may hereafter be or become within its corporate powers".

### **Summary of Officers and Members**

The Foundation is currently composed of approximately 73 members. None of the members hold stock or have any financial interest in the corporation. The members are chosen on the basis of their interests and qualifications from five groups. Two of the groups, the Founders and Research members, are made up of distinguished educators and citizens who have had a long interest in the University and the Foundation and who have made significant gifts to the Foundation. A third group includes all of the members of the University Board of Trustees. A fourth group is made up of alumni of the University, and the fifth group is composed of prominent scientists and administrators from both the University and industry.

The Foundation is organized into several units which carry out the general purposes of the Foundation.

The Foundation has assets of securities and real estate conservatively valued at more than \$600 million. The Treasurer of the Foundation, under the direction of the President, carries out the Foundation's responsibilities as a Trustee and supervises the financial and business matters of the Foundation. The Foundation also acts for the University in the management of certain patent and copyright matters.

Through the Division of Sponsored Programs, the Foundation and the University coordinate all proposals for sponsored research, working closely with the faculty and sponsoring agencies of government, industry, foundations, and private donors.

Through a special restricted fund, known as the "XR Fund", the Foundation provides support for a wide variety of research projects involving faculty and graduate students. Through a second restricted fund, known as the "XL Fund", the Foundation supports individual scholarly projects of the faculty, particularly during the summer months when University funds are not available to the academic-year appointees.

In these, and many other ways, the Foundation assists the University in carrying out its missions in undergraduate and graduate teaching, research, and public service.

## Abatement Request

Date:

January 04

Company:

Purdue Research Foundation

Location:

West Lafayette

Taxing District:

West Lafayette 164

Gross Rate:

\$2.65850

PTRC:

0.269239

Business PP PTRC:

0.182223

Real Estate Net Rate:

\$1.94273

Net Rate Business PP

\$2.17406

Real Estate Investment:

\$7,000,000

RE % Estimated Value

100%

Equipment Investment:

\$0

Prepared by: Lafayette - West Lafayette Economic Development Corp

## Abatement Personal Property Real Property

Options	Abatement	Abatement
10 Year	\$0	\$673,155
9 Year	\$0	\$674,515
8 Year	\$0	\$614,679
7 Year	\$0	\$542,604
6 Year	\$0	\$478,688
5 Year	\$0	\$407,973
4 Year	\$0	\$339,977
3 Year	\$0	\$270,622
2 Year	\$0	\$203,986
1 Year	\$0	\$135,991



Company Name: **Purdue Research Found: Real Property Tax Abatement Illustration**

Abatement Term: **10 Year**

Location: **West Lafayette**

Date: **January-04**

Township: **West Lafayette 164**

Net Rate: **\$1,942.73** Gross Rate: **\$2,658.50**

Year	Building Investment	True Tax Value	Assessed Value Without Abatement	Percent Tax Abatement	Taxable Assessed Value	Taxes Abated	New Taxes Paid
1	\$7,000,000	100%	\$7,000,000	100%	\$0	\$135,991	\$0
2	\$7,000,000	100%	\$7,000,000	95%	\$350,000	\$129,191	\$9,305
3	\$7,000,000	100%	\$7,000,000	80%	\$1,400,000	\$108,793	\$37,219
4	\$7,000,000	100%	\$7,000,000	65%	\$2,450,000	\$88,394	\$65,133
5	\$7,000,000	100%	\$7,000,000	50%	\$3,500,000	\$67,995	\$93,048
6	\$7,000,000	100%	\$7,000,000	40%	\$4,200,000	\$54,396	\$111,657
7	\$7,000,000	100%	\$7,000,000	30%	\$4,900,000	\$40,797	\$130,267
8	\$7,000,000	100%	\$7,000,000	20%	\$5,600,000	\$27,198	\$148,876
9	\$7,000,000	100%	\$7,000,000	10%	\$6,300,000	\$13,599	\$167,486
10	\$7,000,000	100%	\$7,000,000	5%	\$6,650,000	\$6,800	\$176,790
Total						\$673,155	\$939,780

Assumptions:

- 1 The net property tax rate does not change for the period.
- 2 The building investment is the total planned investment in real property improvement.
- 3 The building investment is new construction only. Taxes cannot be abated on existing assessed value or land.
- 4 All property assumed to be placed in service in the same year.
- 5 This illustration assumes that no reassessment of real property occurs during the 10 years.
- 6 Taxes Abated are based upon the Net Tax Rate, New Taxes Paid are based upon the Gross Tax Rate.

## Abatement Request

**Date:** January-04  
**Company:** Purdue Research Foundation  
**Location:** West Lafayette  
**Taxing District:** West Lafayette 164  
**Gross Rate:** \$2,658,500  
**PTRC:** 0.269239  
**Business PP PTRC:** 0.182223  
**Real Estate Net Rate:** \$1,942,730  
**Net Rate Business PP** \$2,174,060  
**Real Estate Investment:** \$7,000,000  
**RE % Estimated Value** 100%  
**Equipment Investment:** \$0

Prepared by: Lafayette - West Lafayette Economic Development Corp

Options	Abatement	Real Property Abatement
10 Year	\$0	\$673,155
9 Year	\$0	\$674,515
8 Year	\$0	\$614,679
7 Year	\$0	\$542,604
6 Year	\$0	\$478,688
5 Year	\$0	\$407,973
4 Year	\$0	\$339,977
3 Year	\$0	\$270,622
2 Year	\$0	\$203,986
1 Year	\$0	\$135,991

# Company Name: **Purdue Research Found.** **Real Property Tax Abatement Illustration**

Abatement Term: **10 Year**

Location: **West Lafayette**

Date: **January-04**

Township: **1st Lafayette 164**

Net Rate: **\$1,942.73** Gross Rate: **\$2,858.50**

Year	Building Investment	True Tax Value	Assessed Value Without Abatement	Percent Tax Abatement	Taxable Assessed Value	Taxes Abated	New Taxes Paid
1	\$7,000,000	100%	\$7,000,000	100%	\$0	\$135,991	\$0
2	\$7,000,000	100%	\$7,000,000	95%	\$350,000	\$129,191	\$9,305
3	\$7,000,000	100%	\$7,000,000	80%	\$1,400,000	\$108,793	\$37,219
4	\$7,000,000	100%	\$7,000,000	65%	\$2,450,000	\$88,394	\$65,133
5	\$7,000,000	100%	\$7,000,000	50%	\$3,500,000	\$67,995	\$93,048
6	\$7,000,000	100%	\$7,000,000	40%	\$4,200,000	\$54,398	\$111,657
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10	\$7,000,000	100%	\$7,000,000	5%	\$6,650,000	\$6,800	\$176,790
Total						\$673,155	\$939,780

## Assumptions:

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